

# THE COMMUNIST INTERNATIONAL

Vol. VI. No. 2.

THREEPENCE

December 15, 1928

## Contents

	PAGE
Intensification of the Class Struggle and the "Right". <i>Editorial</i> ...	25
Unemployment in Great Britain. <i>W. Hannington</i> ... ..	36
The Situation and Prospects in Italy. <i>Ruggiero Grieco</i> ... ..	41
The South African Question ... ..	52

## Intensification of the Class Struggle and the "Right"

WHEN in October the Bolsheviki seized power they acted on two assumptions: first, that they would be able to keep in power, would be able to commence and to finish the building of socialism in a backward country, basing themselves on the alliance of the proletariat and the peasantry under the leadership of the proletariat; secondly, that the proletarian revolution in Russia would not be an isolated phenomenon: by breaking through the imperialist front at its weakest point it would serve as a beginning and a motive force to the world proletarian revolution.

Needless to say, the social-democrats of all countries prophesied the contrary. At first they said that the Bolshevik Government could not last two months, that within the very near future this "forge of world revolution" would be extinguished, and only fumes

would be left. In accordance with this view they zealously damped down the developing revolutionary conflagration in their own countries. And when, owing to their treachery, a partial stabilisation of capitalism was effected in Western Europe, with a sigh of relief they said through Renner's lips: "The expectations of Russian socialism and its adherents outside Russia that the end of the war would have the world revolution, as its immediate consequence, have suffered defeat. . . . Something directly the contrary has happened. Thanks to the war itself the whole world is becoming capitalised throughout. . . . Only now is all the earth becoming capitalist, but not socialist, and Soviet Russia will be subject to the same fate."\*

\* See Renner in "Der Kampf" (August): "World Economic Bases of Social Policy After the War."



**E**LEVEN years have passed since the October revolution, and every year we ask of history: 'Whose prognosis has been justified—that of Lenin or the Mensheviks?'

What does the eleventh year of proletarian dictatorship tell us on this point?

First in regard to the U.S.S.R. During this past year the Soviet Republic has experienced the Shakhty affair, which caused confusion in the ranks of the technical intelligentsia, and also very great difficulties in connection with grain purchases. Were these difficulties a symptom of the degradation of Soviet economy or, on the contrary, a symptom of the growth of the productive power of the towns and villages in circumstances of an intensified class struggle? The gradual solution of these difficulties has confirmed the accuracy of the view held by the C.P.S.U. leadership, that these difficulties had arisen directly out of the growth of the productive forces and the strengthening of the socialist elements of economy in face of the pressure of the capitalist encirclement and the capitalist elements within the country.

**I**N the preliminary drafts of the plan for the U.S.S.R., in connection with the capital investments and the reconstruction of industry, a decline in the tempo of growth of production to the level of 10 to 12 per cent. per annum was foreseen. In reality the tempo of growth of industry has not only not declined, but has even increased during 1927-28, in comparison with the previous year. While during 1926-27 industry grew by 18.2 per cent., in 1927-28 it has grown by 22.6 per cent. In its general dimensions the gross production of census\* industry in the U.S.S.R. exceeded pre-war production by 27 per cent. It is true that, owing to conditions inherited from Tsarist Russia, and owing to the fact that the world and civil wars struck particularly heavy blows at the heavy industries, the growth in industry has not been an even one. The Gosplan control figures for 1928-29 (which, it may be mentioned, are now being subjected to correction in the direction of a still greater increase in the dimensions of production) indicate that the output of iron ore

\* That is, enterprises employing more than 15 "hands."

will be only 76.7 per cent., and the production of cast iron 92.3 per cent. of the 1913 level. But in all the other spheres of industry a great advance is already revealed, and is also projected for the coming year. Thus, in accordance with the Gosplan control figures, the production of electrical energy in 1928-29 will constitute 340 per cent. of the 1913 level, the output of coal will be 142 per cent., the oil output will be 137 per cent. (and about 80 per cent. of the oil output is being obtained from wells bored during the Soviet period), the peat output will be 500 per cent. The output of internal combustion engines is 506 per cent., that of agricultural machinery is 260 per cent. by comparison with 1913. Of articles of general consumption cotton fabrics exceed pre-war output by 13.7 per cent., woollens by 6.9 per cent., sugar by 12.2 per cent. The production of superphosphates—the chief chemical manure, which formerly was imported from abroad—has in 1927-28 reached 273 per cent. of the pre-war level. The Soviet works have begun to produce rustless steel and dynamo iron, and are producing nitrogenous compounds from the air. The import of electric lamps has ceased, the production of textile machinery, motor-cars, match and leather machinery, has been begun; new cellulose and cotton mills have been built, and also an enormous new glass works. On the eleventh anniversary a new giant of the electrical industry, the State Electrical Power Station, was brought into operation. Following on the Volkhovka Electrical Station the Svirsk Electrical Station has been built, which produces double the power of the first. Great successes have been achieved in the chemical world and so on.

**T**HE Soviet Government has taken as its aim not only the industrialisation of the country, but also the development of a tempo of industrialisation which will afford us the possibility of overtaking and passing the leading capitalist countries; and that tempo is being maintained in practice, despite the credit blockade, despite the injury worked from within the country, despite the inherited cultural backwardness, despite the economic difficulties. In the leading capitalist countries the annual growth of industrial production as



a whole does not exceed 10 per cent., while in the U.S.S.R. in 1927-28 it was 21.7 per cent., and for 1928-29 it is planned at 22.6 per cent.

Together with the quantitative growth of production and of the means of production in the first place, favourable qualitative alterations are observable, especially of late. Despite the insufficient supply of skilled labour power, and particularly of chemical personnel, together with a growth in the real wages in the U.S.S.R., we observe also a growth in the productivity of labour which is overtaking that growth in wages. During the last year productivity has grown by 14 per cent., under conditions of severe economic difficulties, in the sphere of supplies. But it is particularly worthy of mention that at last a break has been achieved in the matter of lowering the cost price of industrial production. At the beginning of the reconstruction period in 1925-26 we even had a rise of 1.7 per cent. in the cost of production; in 1926-27 we succeeded in reducing the cost by only 1.8 per cent.; in 1927-28 we at last achieved a noticeable change, and costs have fallen by 5.1 per cent.

**D**ESPITE the vigorous growth of industry, the Soviet Republic has not yet outlived the goods famine. How is this to be explained? Though it may sound paradoxical, in so far as we do not speak of a goods famine in its acute, crisis form, that goods famine arises out of the sound socialist policy of the Soviet Government, and for a certain period of time, so long as the industrialisation of the Soviet Republic has not reached the necessary stage of development, it will be inevitable. The point is that in the capitalist countries, where accumulation goes on at the expense of the working class and the toiling masses generally, there is a permanent tendency to over-production, which periodically overflows in the form of severe industrial crises. But in the Soviet Republic the economic policy of the State is directed to ensuring that parallel with the accumulation there should occur an increase in the consumption of the working class and the peasantry. Here the increase in consumption of the people, stimulated by the revolution and the increase in their financial resources, is overtaking the

vigorous growth in productive forces. Consequently, despite the fact that during the past four years, in which the population has grown by 10 per cent., industrial production in the Soviet Republic has almost doubled, the goods famine still remains. In so far as the recent manifestations of the goods famine are concerned, they are explained by the rapid growth of capital investments in industry, which investments serve during the preliminary period preponderantly as a source of increased demand for industrial and agricultural commodities, while no commodities are put on to the market in exchange for some time after. But this severe form of goods famine will undoubtedly be outlived during the next few years. During the year 1928-29, more than 150 new industrial works will enter the market for the first time not only as buyers but also as sellers of new industrial commodities.

**T**HE agricultural situation is worse. Owing to the extremely low agricultural standards inherited from the past, and the land being "parcelled out" to a great extent in consequence of the agrarian revolution, grain economy, and particularly its commodity proportion, lag greatly behind the growth of industry. Owing to this lag the production of grain cultures still constitutes only 89.2 per cent. of the 1913 level, which, in view of the swiftly growing demand for marketed grain in the conditions of industrialisation led in the summer of the present year to a crisis in grain collections.

However, despite this lag, the talk of "degradation" of agriculture in the U.S.S.R. is deprived of all basis, as is evident from the unbroken growth of the area sown with grain: in 1924-25, 89,100,000 hectares were sown with grain, in 1925-26 95,400,000 hectares were sown, in 1926-27 97,200,000 hectares, and in 1927-28 about 100,000,000 hectares.

A great increase in the extent of grain culture, and particularly of its marketed proportion, cannot be achieved within a short period of time. None the less, this question was extensively considered even at the Fifteenth Congress of the Party, and raised in the sense of the recognition of the "affiliation and transformation of petty individual holdings into great collectives" as the "basic task of the



Party in the countryside," parallel with the "consolidation of the Soviet farms and their transformation in practice into model large-scale establishments of a socialist type," and with a further consolidation of the petty individual holdings, especially those of the poor peasants. And in this direction no small results have been achieved. In 1927-28 750,000,000 roubles were assigned as aid to the middle and poor peasant husbandries, while in 1928-29 it is intended to put into operation a decree by which 40 per cent. of the total sums credited for individual holdings have to be directed to the poor holdings on easy terms. The plan for forcing the development of the collective and Soviet farms, adopted at the Party Fifteenth Congress, and given concrete formulation at the July Plenum of the Central Committee, is being successfully carried through. This plan meets halfway the trend of the poor and to a certain extent of the middle peasants, towards collectivisation—a trend which has greatly increased recently. In 1926-27 there were altogether 17,893 collective farms in the R.S.F.S.R., Ukrainian S.S.R., and the White Russian S.S.R. But in 1927-28 there were 34,854, which gives an increase of 94.8 per cent. During the year the gross output of the collective farms grew by 73.9 per cent. In July the Grain Centre stated that it has agreements with collective farms, artels and societies, by which it will receive 20 to 25 million poods of grain from them. The Soviet farms also were to yield 20 to 25 million poods of marketable grain.

In addition one has to add the rapid increase in the supply of grain through the agency of the co-operatives: according to the Grain Centre, from the spring contracts they expected to receive 825,000 tons of grain, of which 40 per cent. was already received by November 1st, while from the winter contracts they expected to receive 7,800,000 tons, which indicated an increase by nine and a half times! Of course, these are only the first results of the course taken, and for a comparatively long period to come agriculture in the U.S.S.R. will continue to be based on the small farms; but a certain break will be noticeable after five years. The financing of the Soviet farms in 1928-29 will be doubled by

comparison with that of 1927-28. In 1927-28 the gross production of the Soviet and collective farms constituted 2.4 per cent. of the total agricultural production and 6.4 per cent. of the commodity production. In 1928-29 it will constitute 8.0 per cent. of the total commodity production of all agriculture. But after the expiry of the five-year period the grain factories alone—the Soviet farms—will give 1,600,000 tons of grain annually, which will provide a very large reserve fund in the hands of the Soviet State.

**P**ARALLEL with the rapid rate of industrialisation there is going on a growth in the numbers of the working class and a growth in the wages fund. Despite the rationalisation of production the number of the population occupied in wage labour has increased during the past year by 3.6 per cent. The wages receipts of the wage workers have increased by 10 per cent. during the past year, whereas the monetary income of the total population increased by 6.8 per cent. Together with the rise in wages of the backward categories of workers there is going on a reduction of working hours. While everywhere in capitalist countries the eight-hour day is being abandoned for a nine-hour day and even more, in the U.S.S.R. factory after factory is transferring to the seven-hour day.

The growth of the socialist sector and the increase in its specific proportion is to be observed in trade to the same extent as in industry. The proportion of the socialised sector in the lower grades of trade has risen to 82 per cent., while during the year the share of private trade has dropped from 32 per cent. to 18 per cent.

**I**N close connection with the swift tempo of growth of the socialist elements of economy and the elimination of the capitalist elements, there is taking place a rise in the cultural standards of the masses—although, owing to the inheritance of Tsarist times the absolute level of that culture is still very low. In the protection of motherhood and childhood the U.S.S.R. now takes the first place in Europe. The mortality of the population has fallen tremendously. During the eleven years 10,000,000 illiterates have become literate.



Before the revolution the elementary schools had 7,000,000 scholars, to-day they have 11,000,000. There were 564,000 students in the secondary schools in 1914-15; to-day there are 800,000. The workers' faculties—the favourite child of the proletarian revolution—now embrace over 45,000 peasants and workers. Professional education has more than doubled. In the higher educational institutions the workers' and peasants' sector constituted 37.8 per cent. in 1923-24; in 1926-27 it was 50.3 per cent.; in 1928-29 it will constitute 55 per cent. The circulation of newspapers has grown from 2,500,000 before the revolution to 8,000,000, and these newspapers, of course, do not contain the bourgeois poison.

We see that despite the inheritance of the past, despite the backwardness of the country and the economic difficulties connected with that backwardness, despite the capitalist blockade, despite the increasing opposition of the kulak and the Nepmen elements within the country, socialist construction is swiftly growing and developing.

**B**UT what is the situation on the world capitalist front? The capitalist countries are also now living through a third period since the end of the war—the reconstruction period. "There can be no doubt," say the theses of the Comintern Sixth Congress, "of the great increase in technique of the capitalist countries, which in certain of them (United States, Germany) is taking the character of a technical revolution." Parallel with this development "in the economic sphere is observable an exceptionally swift growth in the capitalist monopolies (cartels, trusts, banking consortiums) which exert a continually increasing influence on agriculture." But while, despite the temporary severe economic difficulties, in the Soviet Republic the socialist elements are more and more consolidating, in the capitalist countries, despite the vigorous growth in technique and the concentration of capital, we observe a continually increasing development of the contradictions gnawing at the capitalist system, at the basis of which contradictions is the following,

# TEN DAYS THAT SHOOK THE WORLD

by

**JOHN REED**

A vivid account of the November revolution in Russia as witnessed and recorded by that brilliant journalist and author, the late John Reed

Cloth. 4s. Post free 4s. 3d.

Paper. 2s. Post free 2s 3d.

*Of all booksellers or direct from*

**MODERN ★ BOOKS ★ LIMITED**

26 BEDFORD ROW, LONDON, W.C.1



according to the theses adopted at the Comintern Sixth Congress: "The growing productive forces of capitalism are more and more coming into conflict with the restricted bounds of the internal markets, which in a number of imperialist countries have contracted since the post-war ruin, and the growing pauperisation of the peasant masses in the colonies, and also with the post-war construction of world economy, of which the contradictions have increased and become extraordinarily complex by the new antagonism between the U.S.S.R. and the capitalist countries."

This basic contradiction of post-war capitalism is the source of new wars, which are swiftly developing behind the noise of the pacifist babble and under the cloak of the multifarious commissions for disarmament, "Kellogg Pacts" and similar screens, intended for the stupefying of the masses. From this basic contradiction arises the continually increasing antagonism between the British Empire and the United States, between the former and the present overlords of the capitalist world, which will inevitably take the form of a capitalist war, if the entire capitalist system does not crash before then. This contradiction partially explains the intervention of capitalist countries in the semi-colonial countries and the war being feverishly prepared against the U.S.S.R. This all shows how thoroughly false are the social-democrats' declarations that we have passed into an epoch of the peaceful development of capitalism under the flag of super-imperialism.

**T**HE crisis of modern capitalism is demonstrated to the same extent in the intrinsic contradictions of the national capitalisms. During the so-called "normal" capitalist development the periods of industrial revival, the vigorous growth of technical progress, and the centralisation of capital were accompanied by a reduction in the reserve labour army and an increase in the number of the labour aristocracy. To-day, owing to the above-mentioned basic contradiction between the growth of productive possibilities and the contraction of the market, we observe colossal chronic unemployment not only in countries with a declining industry, such as Britain, but also in countries such as the U.S.A., where the number of unemployed has reached

4,000,000. Simultaneously in all the capitalist countries we at present observe not attempts to bribe the upper ranks of the working class, but, on the contrary, an intensified attack on the conditions of labour of the entire working class. Under capitalist rationalisation, and parallel with the extraordinary intensification of labour, the tendency to lengthen the workers' day and to reduce wages is being manifested everywhere. At the same time intensified pressure is being exerted on the trade unions, on the freedom to strike, in certain cases by direct interdiction (Italy), in others by compulsory arbitration systems, and in yet others by a system of organised strike-breakers and lock-outs. All this is accompanied by a terrorist attack on the revolutionary elements of the workers' movement.

This continually intensifying pressure on the working class has recently evoked a universal leftward movement among the workers, which trend has been manifested in the parliamentary elections in France, in Germany and in Poland, where there has been a partial withdrawal of workers from the social-democrats in favour of the Communist Parties in the industrial areas, and a widely extended strike movement, which, despite the frenetic Fascist regime, in Lodz took the form of a general strike, while the persecuted Communists succeeded in getting the practical leadership into their hands. Owing to the treachery of the reformists' trade unions, which directed the movement into the channel of compulsory arbitration, and to the counter-attack of trust capital in the form of lock-outs, in the majority of cases the extensive strike movement has so far not been crowned with success. But these enormous mass strikes, such as the mass strikes in Germany, for example, are symptomatic, and reveal the revolutionary possibilities with which the modern life of capitalist countries is pregnant.

**T**HE situation is no better in the colonies and semi-colonies. Here also the social-democratic talk of the tendencies to decolonisation, the industrialisation of the colonies and their transformation into independent countries with vigorously developing capitalism is self-deception or deliberate lying, as the resolution on the colonial question, drawn up at the Comintern Sixth Congress,



points out. Hence the inevitability of the further development of the anti-imperialist revolutionary movement in the colonies and semi-colonies. In China the revolution has suffered heavy defeats; none the less, the united forces of the national counter-revolutionary bourgeoisie and the imperialist robbers have not succeeded in restoring the economic life of China or in deflecting the new revolutionary wave by even a half-hearted resolution of the Chinese problem. And they had not succeeded in quenching the fire in China before the situation in India began to grow acute. "The latest measures of British imperialism in India," say the theses on the colonial question adopted at the Sixth Congress, "show that the objective contradictions between the British colonial monopoly and the tendency towards India's independent economic development are growing more acute every year, and are leading to a fresh revolutionary crisis. The real menace to the British domination arises not from the camp of the bourgeoisie, but from the growing mass movement of the Indian workers, which is developing in the form of enormous strikes; at the same time the intensification of the crisis in the villages witnesses to the development of an agrarian revolution. These phenomena are leading to a radical alteration of the entire political situation in India."

SO we see that the theory of a "single world economy," according to which its every link, including the Soviet, would have to conform—that this theory, discovered by the social-democracy and now propagated by Trotsky also, is an out-and-out lie. A single world economy does not at present exist, but there are two hostile fronts: on the one hand, the Soviet economy, successfully overcoming the greatest of difficulties and growing continually stronger, together with the revolutionary movement of the colonial and semi-colonial countries, which is developing, with ebbs and flows, and undermining the bases of imperialism; on the other there is the capitalist economy of the imperialist countries, which, despite the vigorous technical progress and the as vigorous concentration of capital, is revealing all the signs of corruption and is

being consumed by insoluble intrinsic contradictions.

IT is just because that is the situation that the danger of war grows more and more actual for the Soviet Republic. It is just because of this that that war is being so feverishly prepared by means of a system of secret agreements, by means of secret conferences, by the conclusion of the latest Anglo-French *rapprochement*, directed against the Soviet Republic far more than against the U.S.A. or Germany, and finally by means of the affiliation of the German bankers to the most aggressive anti-Soviet organisation of all—the International Association of Russian Creditors.

In their day the Trotskyist opposition argued that the increasing danger of war against the U.S.S.R. was explained by a weakening of the proletarian dictatorship in the Soviet Republic, by its Thermidorian degeneration and the systematic defeats of the revolution in the East owing to the opportunist leadership of the Comintern. That is a fable. The position is exactly the reverse. When the Soviet Republic entered on the reconstruction period of its economy at the beginning of the N.E.P., when it was still economically extremely weak, the bourgeois States hastened one after another to recognise her *de jure* in the open belief that they would succeed in economically stifling Soviet Russia in their embraces, by means of establishing closer economic connections with her, and so transfer her economy to the bourgeois channels. But when the Soviet Government entered on the road of reconstruction, when it took a firm course for the industrialisation of its economy and proved that it could carry through that course successfully, despite all the difficulties, the capitalist world began feverishly to prepare for a decisive struggle with the Soviet Power.

The capitalist world is faced with the prospect of new imperialist wars over the partitioning of the earth, and in particular with the prospect of a war between the U.S.A. and Great Britain. But the imperialist Powers cannot lock together in a mutual scrimmage without safeguarding their rears, without guaranteeing themselves against their chief



enemy, who with every year consolidates her position still more and gets still closer contact with the colonial and semi-colonial peoples now preparing for the struggle. That is why the danger of war with the U.S.S.R. is drawing closer, that is why we are on the eve of a new cycle of wars and revolutions.

**T**HUS life has completely justified the accuracy of the prognosis which Lenin made in 1915: "The inequality of economic and political development is an unconditional law of capitalism. Hence it follows that it is possible for socialism to be victorious preliminarily in a few or even in one separately taken capitalist country. The victorious proletariat of that country, who had expropriated the capitalists and organised socialist production at home, would stand opposed to the rest of the capitalist world, attracting to their side the oppressed classes of other countries, and in the event of its necessity entering even with armed forces against the exploiting classes and their States . . . for the free association of nations in socialism is impossible without a more or less protracted and stubborn struggle of the socialist republics against the remaining States." That war is now being planned not by the "victorious proletariat," who carry on a peaceful policy to the farthest possible extent, but by the capitalist countries; but the picture is not fundamentally changed by that fact.

**T**HE fact that history completely confirms the accuracy of Lenin's prognosis shows that we are on the right road. Does that mean that we shall not have enormous difficulties to overcome along that road? Not in the least! One of the basic features of Leninism, distinguishing it from social-democracy, consists in Leninism having always been inimical to fatalism, in its having always rejected estimates of easy victories or an inevitable victory at the present day. There is not an instance in the history of the Russian revolutionary movement which Lenin directed where he did not sound the alarm concerning the great dangers menacing that movement. The strength of Leninism always consisted not in carrying out an ostrich-like policy, clos-

ing one's eyes to the dangers, but in seeing and revealing those dangers, and having the courage to overcome them, no matter how great they were. And now, realising that the objective conditions for the development of world revolution are very favourable, at the same time we must recognise that enormous difficulties lie on the road of revolution at the present moment, and that these difficulties have already caused vacillation and right deviations in almost all the sections of the Comintern.

What are those difficulties and in capitalist countries the right deviations connected with them? The international social-democracy shouts the louder anent the peace-making role of the League of Nations the more they become convinced of the approach of the war which they themselves are actively supporting. International social-democracy shouts the louder of "industrial peace" and "economic democracy" the more clearly they see the maturing of tremendous class battles. Bearing on their foreheads the stigma of the Cain's betrayal which they consummated during the world war and the post-war revolutionary crisis, international social-democracy join their destinies the more closely with those of the imperialist bourgeoisie the closer approaches the era of fresh military and revolutionary catastrophes. And it is for this very reason that the social-democratic parties have everywhere been transformed into openly bourgeois Labour parties of the counter-revolution.

**A**S a result, in all countries there has recently been effected a distinct polarisation. On the one front we have the leftward-moving working masses, on the other the united bloc of all the bourgeois parties, including the "left" social-democrats. Even the glorified "left Austrian" social-democracy has reached such a pass that it has published manifestoes together with the Fascists against the revolutionary proletariat. This clean-cut class differentiation caused the Ninth Plenum of the E.C.C.I. to lay down a new strategic line for the French and British C.P.'s under the slogan: "Class against class," the line of a united front only from below and an intensified fire against social-democracy and the reformists of all shades. But even then, and still



more after the Ninth Plenum, it became clear that sections of the Comintern or certain elements of those sections were not disposed to carry out, and are not consequentially carrying out, this slogan, and that the new more acute situation is inducing the growth of nakedly opportunist right deviations among them.

After the Comintern Fifth Congress, at the beginning of the stabilisation period, after a series of defeats of the revolution, when the task consisted not in going straight into the struggle but in maintaining and strengthening the link with the masses, the wavering in the Comintern sections took preponderantly the form of "left" deviations, such as the lack of desire or the lack of ability to carry out the tactics of the united front, withdrawal from the trade union movement, and so on. But when with the advance of the third reconstruction period the class contradictions grew more acute, when on the one hand there appeared the symptoms of a clear leftward trend among the working class, when on the other hand there was a closer concentration of the united counter-revolutionary front from the Conservatives to the social-democrats inclusive, when the war danger began to approach, part of the Communists in various sections of the Comintern rushed to the right, taking fright at the approaching heavy struggles. They did not wish to see all the severity of the pending war danger, they did not wish to see all the depths of the treachery of the "left" social-democrats, they did not wish to break the bounds of legality, they did not wish to take the initiative in the strike struggle so long as they were not masters of the trade union machinery, they did not demonstrate sufficient energy in the overcoming of the obstacles to their penetration into the large enterprises, they did not wish to reorganise the Party on the basis of production nuclei.

This led, *inter alia*, to the situation that, despite the growth in the C.P.'s political influence which was revealed at the parliamentary elections, the Party membership in certain sections became stagnant or even fell. This caused the Comintern Sixth Congress to sound the alarm on the "right" danger. The theses of the Comintern Sixth Congress formulated these right dangers in the following terms: "At the present time within the Com-

munist Parties the main line of deviations leads rightward from the sound political position, on the basis of a partial stabilisation of capitalism and in direct connection with the influence of the social-democracy. This deviation is revealed in the remnants of "legalism" and excessive subservience to legal forms, in an unsound attitude to social-democracy (for example, the well-known opposition to the decisions of the Ninth Plenum in France), in inadequate reaction to international events, and so on. These right deviations are particularly dangerous in face of the existence of comparatively strong social-democratic parties, and the struggle against them must be given prime importance, which presupposes a systematic struggle with a reconciliatory attitude to the right tendencies inside the Communist Parties. None the less, simultaneously there are left deviations," and so on.

LATER events have shown all the timeliness of the slogan of "Fire to the right," put forward by the Sixth Congress. Immediately after the Congress, in connection with the fiasco of the "Red Day" in Czechoslovakia, the E.C.C.I. had to address an open letter to the members of the Czechoslovakian C.P., in which it elucidated in detail the right opportunist errors in that party and the methods of outliving them.

Still later, in connection with the exploitation of the Wittdorff affair by the right elements of the German C.P. in order to make a frenzied attack on the C.C. of the German C.P., the E.C.C.I. Presidium was again forced to interfere, in order to assist the C.C. of the German C.P. to repulse the attack of the right wing.

But the right danger has recently come out into the open even in Soviet Russia in the ranks of the C.P.S.U., and also in connection with the intensification of the class struggle.

In the reconstruction period, when at the Fourteenth Party Conference the C.P.S.U., in connection with the Georgian rising and the revival of activities among the kulaks, made concessions to the middle peasantry (the liquidation of the remnants of "war Communism," the lightening of the rental conditions and conditions attaching to the employment of labourers) in order to consolidate its alliance



with the proletariat and thus to wrest it away from the kulaks, the opposition raised its head in the Party under a left "flag." Now the picture is changed. Now the shattered "left" Trotskyist opposition is endeavouring to exploit the economic difficulties in order to revive its counter-revolutionary work inside the Party. But now the chief danger for the C.P.S.U., as for all the Comintern, is coming from the right, for the Russian and the international situation has changed by comparison with 1925. When the course adopted by the Party at the Fourteenth Party Conference yielded its results, when the damaged alliance with the middle peasantry had been again restored, at the Fifteenth Congress the Party had the possibility of putting forward the slogan of a direct, "more resolute attack on the kulak" and forcing the collectivisation of the countryside. This more resolute attack, taken in conjunction with the measures for the reconstruction of industry and agriculture on the basis of the new technique with all the great difficulties involved therein, led to a further growth of the activity and struggle of the capitalist elements in the country (the Nepmen, the kulaks and the bourgeois intelligentsia) against the policy of the proletarian State, but this time on a higher stage of the Soviet economy's development and in connection with the forced advance of its socialist sector. This attack was revealed in the Shakhty affair, and in the exploitation of grain collection difficulties by the kulak elements in order to stultify those collections.

When there thus ensued an intensification of the class struggle along the whole line in connection with the strengthening of the socialist elements in economy—a struggle which cannot but grow acute from time to time in view of the development of socialist economy, and so long as the petty-bourgeois elements preponderate in the country—when this tense situation was created, certain vacillations to the right were revealed both in individual sections of the working class and in certain sections of the C.P.S.U. itself, particularly among the leadership of the Moscow organisation of the Party. This caused the C.C. of the C.P.S.U. to direct an open letter on 19th October, 1928, to all the members of the Moscow Party organisation. In this letter the C.C. explained how

these vacillations had been caused and the form in which they were expressed. "On this basis," the letter reads, "sometimes an attitude develops in favour of the reconsideration of the fundamental course of our Party, an attitude in favour of reducing the tempo of development in industry generally, and of heavy industry in particular. Instead of the Bolshevik overcoming of difficulties we thus get flight from them." "These vacillations," we read further on, "find their expression in an under-estimation of the role of the Soviet and collective farms, and in a tendency to reconsider the decision taken by the Fifteenth Party Congress to intensify the attack on the capitalist elements of the village." Later in this open letter there is mention of something which the C.C. had been forced to remark in their letter of February 13th: "In our organisations, both Party and others, there have developed recently certain elements alien to the Party, elements which cannot see the classes in the villages, who do not understand the basis of our class policy and are endeavouring to carry on the work in such a manner as to give offence to no one in the villages, as to live in peace with the kulak, and generally to retain their popularity among 'all sections' of the peasantry." Finally, in the same letter we read: "This under-estimation of the class struggle represents an openly opportunist deviation, a loophole to bourgeois democratic tendencies."

Thus the readiness to retreat before social-democracy in capitalist countries has found a corresponding tendency among the vacillating elements of the C.P.S.U. in the readiness to retreat under the pressure of the kulaks during the very period when the conditions have matured for a "more resolute attack on the kulak."

The open letter of the C.C. of the C.P.S.U. has found a sympathetic response in the active elements of the Party in Moscow, and in the re-elections to the nuclei throughout the Party generally, which demonstrates that the battle-tempered C.P.S.U. is in its great majority able to put up an energetic resistance to any form of right deviation, just as the recent conference of the German C.P. has resisted its right and reconciliatory elements. But the fact remains that the "danger" of the right



deviation in this present period of intensification of the class struggle does exist even in the C.P.S.U.

**I**N conclusion we repeat : The objective conditions for the development of the world revolution are at present extremely favourable, but the difficulties standing in the way of its development are extremely great. Great are the difficulties of developing socialist construction in the U.S.S.R., under conditions of struggle with the kulaks and with the imperialists' attempts to effect a financial blockade of the Republic; great are the difficulties of developing the class struggle in the capitalist countries against the united front of trustified capital with the treacherous social-democracy; great are the difficulties of the struggle against the impending war on the U.S.S.R. In all sections of the Comintern

these difficulties are evoking vacillations to the right. In order to overcome all these difficulties and in order to lay down the road to revolutionary victories in the approaching enormous struggles, we must first and foremost paralyse the vacillations in our own ranks. It is necessary to remember that the great victory of October was made possible only by the iron discipline of the Party, which paralysed the vacillations of some of the comrades at the moment of seizure of power. And this is an indispensable prerequisite to the victory of the world October.

"By the clarity of the Leninist line the struggle against all opportunism and against reconciliation with opportunism, we shall ensure the victory of our Party, the complete triumph of Leninism." (Slogan for the eleventh anniversary of the October revolution, put forward by the C.C. of the A.U.C.P.)



THE ENGLISH EDITION of the *COMMUNIST INTERNATIONAL* (New Style) will be published on the 1st and 15th of the month. Subscription rates 8s. per annum, post free through any bookseller



# Unemployment in Great Britain

By W. Hannington

## GROWTH OF UNEMPLOYMENT

SINCE 1920 unemployment has been one of the greatest social and economic problems confronting British capitalism. In spite of all the prognostications made from time to time by capitalist economists of coming trade revivals we find a very serious increase in the number of unemployed during the last twelve months.

The number of persons registered as unemployed at the Labour Exchanges in Great Britain and Northern Ireland on June 25th, 1928, was approximately 1,239,000 (986,000 men, 198,000 women, 55,000 boys and girls).

Compared with the previous month we find that on May 21st, 1928, the total was 1,143,000, an increase of 96,000.

Taking the figures for June 27th, 1927, we find that the total registered unemployed was 1,032,000. June, 1928, therefore shows an increase over last year of 207,000 registered unemployed.

Here are the figures from June, 1927, to June, 1928 :

1927				
June	...	...	...	1,032,000
July	...	...	...	1,055,000
August	...	...	...	1,076,000
September	...	...	...	1,075,000
October	...	...	...	1,132,000
November	...	...	...	1,172,000
December	...	...	...	1,127,000
1928				
January	...	...	...	1,199,000
February	...	...	...	1,139,000
March	...	...	...	1,071,000
April	...	...	...	1,171,000
May	...	...	...	1,143,000
June	...	...	...	1,239,000

## THE UNEMPLOYMENT INSURANCE SCHEME

There are other factors which must be taken into consideration that show that unemploy-

ment in Britain to-day is much worse than the above figures indicate.

The Unemployment Insurance scheme covers 11,800,000 workers. It does not cover agricultural workers or workers employed in private domestic service.

To-day the insurable age is between 16 years and 65 years. Since January, 1928, persons over 65 years of age have ceased to be insured under the scheme. This is the result of the Widows', Orphans' and Old Age Contributory Pensions Act, under which persons over 65 years of age receive 10s. per week pension.

The operation of the Act struck out from the Unemployment Insurance scheme 323,000 men and 24,000 women. When the Pensions Act commenced to operate on January 2nd, 1928, there were 30,000 persons over 65 years of age registered as unemployed who ceased to have any further claim on the Unemployment Insurance scheme, and consequently ceased to register themselves as unemployed.

For this category of unemployed worker the Pensions Act meant a sudden reduction in their meagre standard of existence, for it reduced them from 18s. per week to 10s. per week. The hardship was even more severe in cases where the man had been drawing dependents' benefit under the unemployment scheme. For a wife he would have been drawing 5s. dependents' benefit in addition to his own benefit of 18s., and if the wife was under 65 years of age, and therefore not entitled to the pension, the income to the home would be reduced from 23s. per week to 10s.

## CHEATING THE UNEMPLOYED

The figures issued by the British Government on the registered unemployed by no means reveal the full volume of unemployment. Let us consider some other facts in connection with this.

During the last two years in particular the Baldwin Government has been operating what



it is pleased to term a "policy of economy" in the administration of the Unemployment Insurance scheme. To put it in simple language, this means that they have been resorting to every possible method and device for disqualifying unemployed persons from benefit, in brief, robbing them of the benefits for which they had been compelled to pay when in employment.

Between March, 1927, and March, 1928, 541,387 persons were refused claims for benefit at the Labour Exchanges. This means that unless these persons continued to sign the register they would not be recorded as unemployed in the figures issued by the Government.

Only a very small proportion of unemployed continues to sign the register after they have been disqualified from benefit. As an indication of this we find that on June 25th, 1928, there were only 30,322 persons who had been refused benefit signing the register.

There are no figures available on the number of persons unemployed and not registered at the Labour Exchanges, but the above figures on persons who have been refused benefit is an indication that such an army is very large.

But let us consider some other figures which will also help us in our continuation of the real number of unemployed in Britain to-day.

#### POOR LAW RELIEF

Figures issued by the Ministry of Health show that on June 30th, 1928, in 25 selected areas in England and Wales there were 561,513 persons in receipt of Poor Law relief. In six other selected areas in Scotland there were 125,847 recipients, making a total for the 31 selected areas of 687,360. This figure includes dependents but excludes "casuals" (i.e., tramps, of whom there are approximately 70,000). Out of the total in the 31 selected areas 125,772 were recipients of "indoor relief," that is, they had become inmates of the institutions known in Britain as "workhouses."

In order to get the figures for the whole of the country it is necessary to take the annual return issued by the Ministry of Health, which deals with an earlier date. But even

this only covers England and Wales, and does not include Scotland, which has its own Scottish Board of Health.

We find that on January 1st, 1928, the total number of persons in receipt of Poor Law relief in England and Wales alone numbered 1,364,691, comprising 389,117 men, 494,801 women and 480,773 children. Of the total 338,013 were in the "workhouses."

It must be remembered that those drawing Poor Law relief practically constitute a separate army of unemployed from those drawing Unemployment Insurance benefit.

There is only a relatively small number of cases to-day where persons are granted Poor Law Relief in addition to Labour Exchange benefit.

#### THE THIRD ARMY OF UNEMPLOYED

In the administration of Poor Law relief, as well as in the Unemployed Insurance scheme, the Government has frantically endeavoured to make it appear that the problem is abating by refusing relief every week to thousands of applicants.

Under the Unemployment Insurance scheme, in spite of the fact that they were refusing on an average 44,000 applicants every month, we find that between June, 1927, and June, 1928, the number of registered unemployed increased by 207,000. But with Poor Law relief they were more successful, and were able to show a decrease of 184,220 in England and Wales compared with a year previous.

We find, therefore, that there is a third army of unemployed, namely, those who have been refused both Labour Exchange benefit and Poor Law relief. How large this third army of unemployed is we cannot say, for there are no figures issued by the Government. We, therefore, are left to guess how many of those refused Labour Exchange benefit and Poor Law relief are still unemployed. But when we realise that the longer a person is unemployed, the more difficult it becomes for him to find an employer who will engage him, we can estimate that the third army of unemployed is of considerable proportion. I should estimate that it numbers 200,000 in Britain to-day.

Taking all these factors into consideration,



and taking a minimum estimate that out of the total persons drawing Poor Law relief in England, Scotland and Wales, 500,000 are adult workers not in receipt of Labour Exchange benefit, but drawing Poor Law relief owing to unemployment, we can estimate that the total number of persons unemployed in Great Britain to-day is approximately two million.

When we consider that the working population is only about 14,000,000 we see that there are nearly 15 per cent. unemployed. The registered alone form 10.6 per cent. of the insured workers on June 25th, 1928. We see, then, how serious is the problem of unemployment in Great Britain to-day.

During the period of British capitalist ascendancy it often suited the employers to have a large army of unemployed to act as a threat to workers taking strike action for increased wages. The employers viewed the unemployed as a potential blackleg force, and were generally successful in using them for that purpose. But to-day the problem has become so severe, and the unemployed themselves have so great a sense of class loyalty, that the employers can no longer view it in the old light, for it has now become a serious menace to them; a drain upon the resources of the capitalist State; a challenge to the very continuation of the capitalist society.

#### COMMUNIST WORK AMONGST UNEMPLOYED

The Communist Parties should devote attention to work amongst the unemployed. It is not possible in this article to deal with the international character of unemployment, but the arguments which are brought forward here in connection with Great Britain will have general application to other countries that are acutely affected by unemployment.

That unemployment provides an important field for mass agitation and for developing revolutionary activity, must be obvious to all practical-minded revolutionaries.

Some of the biggest agitations of the last eight years in Britain have been conducted by the unemployed organised in the National Unemployed Workers' Committee Movement. The great National Hunger March on London

in 1922-23, and more recently the Miners' March from South Wales to London in November, 1927, are two examples of this.

The National Hunger March was responsible for preventing the Bonar Law Government from introducing measures to attack the standards of the unemployed. The South Wales miners' march drew national attention to the appalling conditions existing in the South Wales coalfield.

Following the march numerous relief funds were opened. Committees of public men and experts were formed to consider the steps that should be taken to relieve the South Wales situation, and the pressure on the National Labour Party forced them to appoint special commissioners to visit South Wales and report their impressions publicly; and the Baldwin Government, in spite of a long period of stubborn refusal, has at last been compelled to give financial assistance to the industry. While all these things are no solution to the problem, they are, nevertheless, the direct results of the ferment created by the march.

It was the great mass demonstrations of the unemployed throughout Britain in 1921-22, the seizure of Town Halls and other public buildings for meeting places, and the numerous fights on the streets with the police, that completely changed the administration of Poor Law relief and established the claim of all able-bodied unemployed persons to such relief.

The policy of militant struggle of the Communist Party, that is most readily accepted by the unemployed, provides the Party with a splendid opportunity for mass agitation.

Further we must not overlook the importance of the organised unemployed in relation to the struggles of the workers in industry. We have excellent examples of this in Great Britain where, during strikes and lock-outs, the organised unemployed instead of becoming a blackleg force, have by mass picketing and demonstrations of solidarity proved a tremendous additional strength to the workers in dispute.

Now let us consider the importance of Party work amongst the unemployed in relation to certain other questions.



## THE UNEMPLOYED AND THE PREPARATION FOR WAR

In what manner is unemployment related to the question of capitalist preparation for war? Let us consider some facts which show this.

On April 19th this year the new Unemployment Insurance Act passed by the Baldwin Government commenced to operate. It is necessary here to deal with the whole of the changes that are introduced by this Act, but a few important points must be considered.

First let us remember that this new Act was based upon the Report of a Committee known as the Blanesburgh Committee, which was formed in November, 1925, and upon which sat three prominent members of the National Labour Party, who signed the Report along with Lord Blanesburgh and other capitalists. These three so-called Labour representatives were Margaret Bondfield, Frank Hodges and A. E. Holmes. As a matter of fact, the recommendations which these signed were worse in some respects than the new Act which has been passed by the Conservative Government.

The new Act lays it down that no person in future can claim unemployment benefit who is not able to show 30 weeks' work within the two years immediately preceding the date of the claim.

But it is estimated that nearly half a million persons in receipt of benefit would not be able to fulfil this condition, and if this number were struck off benefit in one week it would precipitate a serious outbreak of struggle on the part of the unemployed. The Government has, therefore, very cunningly introduced into the Act what are known as transitional conditions by which a person who has only eight stamps on his insurance card (eight weeks' work) for the two years previous can be granted benefit. These transitional conditions will cease to operate in April, 1929.

This means that from the commencement of the operation of the Act the Government had one year in which to "comb" out all those who cannot fulfil the statutory condition. The rate of combing out will undoubtedly depend upon how the unemployed themselves react to the situation.

If the combing out is stimulating militant

action on the part of the unemployed then the process will no doubt be moderated.

For the 12 months immediately preceding the operation of the new Act there was an average of 45,000 claims for benefit rejected every month. But in the first month following the Act this number jumped up to more than 71,000.

Now, in a country like Britain with a voluntary army the bulk of the men recruited for the army are drawn from the ranks of the unemployed. They join the army to escape from conditions of poverty that have resulted from unemployment. This increase in the number of men refused benefit is unquestionably calculated to increase the number of volunteers for the army.

But there is something in the new Act even more glaring than this, that is, the heavy reductions in the benefits of young men between the ages of 18 and 21.

Here is the scale for this class of unemployed :

	Previous benefit	Present	Reduction
Men aged 20 to 21	18s.	14s.	4s.
" " 19 to 20	18s.	12s.	6s.
" " 18 to 19	18s.	10s.	8s.

This is the class of unemployed that suffer the heaviest reductions under the new Act, just that class of worker that is needed for the British Army.

Is this accidental? No, it is quite deliberate.

Prior to the Act being introduced the British Army report was issued which showed a falling off in the number of recruits, and attributed this to the "high" rates of benefit paid to the unemployed.

The next move was the issuing of the Blanesburgh Report and passing the new Act, which attacked most severely that particular section of unemployed men most suitable for recruiting into the army.

We see very clearly how the treatment of the unemployed is related to the question of war preparation.

We must also remember that with a standing army of 2,000,000 unemployed there is a danger of the bulk of these becoming an immediate voluntary army for capitalism on the outbreak of war, especially if the Government,



as we can quite conceive, is prepared to offer special conditions for first recruits.

From this standpoint then we see how important it is for the Communist Party to conduct anti-militarist work amongst the unemployed.

#### UNEMPLOYMENT AND RATIONALISATION

Let us consider briefly the importance of work among the unemployed in relation to capitalist rationalisation. We know that amongst other things rationalisation means increased unemployment. Mr. George Hicks, of the T.U.C. General Council, admitted this at a trade union conference in London where he was defending the "Industrial Peace" policy. Lord Melchett (Sir Alfred Mond) has also admitted it in articles which he has written to the "Manchester Guardian."

Between May 21st and June 25th this year there was an increase of 53,859 in the number of unemployed coal-miners. This was largely due to the application of rationalisation particularly in the Scottish and Yorkshire coal-fields. This provides the Party with a splendid opportunity for mass agitation among the unemployed against capitalist rationalisation. We can show the unemployed by clear facts that rationalisation means not an opportunity for them to get back into industry again, but, on the contrary, an additional displacement of workers from industry to swell still greater the colossal army of unemployed.

Work amongst the unemployed in relation to rationalisation means also undermining the influence of the Labour leaders who support the policy of rationalisation.

At the present moment the British T.U.C.

General Council is attempting to launch a scheme for organising the unemployed under their control. Is it some strange coincidence that they are doing this at the very moment when they are joining with the Mond group of employers in the policy of Industrial Peace and the capitalist rationalisation of industry? No! We can be quite sure that it is no coincidence. On the contrary, it is highly probable that there is a mutual understanding that in order to meet the increased unemployment due to rationalisation, the General Council should endeavour to organise the unemployed with a view to stifling any unemployed agitation.

This move of the British General Council must be smashed and the N.U.W.C.M. strengthened. The Communist Party must intensify its work amongst the unemployed. The Communist Parties must pay more attention to this question of work amongst the unemployed in the future. The Communist Parties in all countries where unemployment is acute must help to build up mass organisations of the unemployed on the model of the British N.U.W.C.M.

The Communist Parties must aim at the leadership of this great mass of unemployed workers in the capitalist countries. The Communist Party can accomplish this because it goes forward to the unemployed with a militant policy which has unemployed desire and which the social-democrats cannot offer.

The acute discontent of the unemployed must be harnessed and directed into the path of struggle against the capitalist governments for the overthrow of capitalism and the establishment of working-class rule.



# The Situation and Prospects in Italy

By Ruggiero Grieco

**F**OREIGN comrades quite frankly ask themselves and us when the Fascist regime will fall. In other words, they want to know when the revolution will break out in Italy. If the situation of the Italian toiling masses is as bad as it is painted by the Italian Communists, and if it is true that the Italian workers and peasants are more or less openly demonstrating their aversion for the government which dominates Italy at the present time, if the economic crisis in Italy is so severe, why is Fascism holding its ground, and, judging from outside, is even consolidating its position?

Consequently, on us Italian Communists falls the task of spreading deeper understanding of the Italian situation among the comrades of the Comintern, and of explaining to them wherein the Italian paradox consists.

## THE STRUCTURE OF ITALIAN ECONOMY

Italy is predominantly an agricultural country, without raw materials, external markets and a large home market. This basic feature of Italian economy has not changed as the result of war. The value of the agricultural production continues, as before, greatly to exceed the value of industrial production (we shall not produce figures, for in view of the complete absence of central statistical organs information is obtained as the result of the investigation of individuals, in consequence of which there is great divergence between the figures of the various investigators). It is a fact that during the ten years from 1911 to 1921 the relationship between the agricultural and industrial population has remained almost unchanged (in 1911 about 40 per cent. of the population were agriculturists, while in 1921 there were 39.5 per cent.). The peculiarities of Italian economy explain the character of Italian imperialism, which has been called the "imperialism of ragamuffins," i.e., the im-

perialism of a poor country, one which does not export capital, but exports millions of starving people (at the present time there are 10,000,000 Italian emigrants).

Capitalism and modern industry in our country has developed at the cost of these "poor people" which constitute the great majority of the Italian population. Italian industry was created with the aid of a stubborn protectionist policy, without which it could not have survived. But that protectionist policy cost milliards of liras, extracted from the indigent population.

The severe contradictions amid which Italian capitalism developed from the very moment of its birth are the direct consequences of its organic weakness. They in their turn gave birth to and maintained imperialism, i.e., the tendency to resolve all these contradictions by resort to the policy of expansion, by means of conquest of fresh markets. But neither the colonies won in 1911 nor the European war were able to resolve the Italian problems. The African colonies, both old and new, represent only a liability in the State budget and play no role whatever in the problem of disposal of industrial produce.

One of the most important consequences of this situation of affairs was the impossibility of having both a workers' aristocracy and a permanent policy of low wages. If a glance be cast over the political history of Italy, beginning with the appearance of modern industry in the north down to the present day, we immediately see that the development of industry coincided with the beginning of a ruthless class struggle. In literature, and particularly in articles and notes of foreign tourists the declaration that the Italian people were an undisciplined people, disposed to anarchy and indolence, is a common feature. Someone will wish to explain—and possibly to justify—Mussolini's Fascism by these stupidities. The fact is that in Italy strikes



were always frequent and severe. But this is explained not by the temperament of our workers, and not by the suggestion that our proletariat is easily influenced by the agitators, as the bourgeois newspapers write, but by the fact that the Italian capitalists always obtained a reduction in the costs of production by way of a worsening of the conditions of labour.

Everybody knows that the Italian workers were the most oppressed of all the workers of the "civilised countries." Not having control over all the elements of production, Italian capitalism always strove to compensate itself by the greater exploitation of labour power, in order to obtain that rate of profit which would have fallen to it if Italian capitalism had had control over all the factors of production. That is why Italy, a country in which the development of capitalism was relatively late, found itself in a condition of open revolutionary ferment, beginning from the day of the Armistice: the class contradictions were always acute in Italy, and the war made them still more severe.

#### POST-WAR CRISIS

In Italy, as in other countries, the war evoked an enormous increase in the machinery of production, one which was completely out of proportion with the real level of the internal market. On the other hand, Italy concluded external loans for war needs to the sum of 100,000,000 liras, and in the distribution of the spoils at Versailles did not receive any territory suitable for colonial exploitation.

The innate defects of the structure of Italian economy were revealed clearly after the war. The capitalists wished to demobilise war industry to the injury of the proletariat. A severe struggle broke out, one which for the first time faced the proletariat with the problem of power. The absence of a revolutionary party of the proletariat led to its defeat in that struggle. Then began the process of the stabilisation of capitalism.

How was it possible for Italian capitalism to stabilise itself? What road was it necessary for it to take? The only road open to it was that of attacks on wages and the increased exploitation of the toiling peasantry.

All this took on the specific colouring of a political advance against the toiling classes, the more so as the latter, basing themselves on a long experience of struggle, would not allow themselves to be oppressed without putting up the most resolute opposition. The specific form of the stabilisation of Italian capitalism is Fascism, which consequently possesses an essence which is profoundly and typically anti-proletarian and anti-peasant.

The definition of Fascism as "a method of stabilising Italian capitalism" is absolutely correct. But it is too "synthetic," and does not provide an explanation of the content of Fascism and the method by which the Fascist movement became a capitalist instrument, with a cynically anti-proletarian policy. In order to understand the development and consolidation of Fascism as a mass movement, it is necessary to have a clear understanding of the position of the various strata of the middle and petty town bourgeoisie, and of the more important sections of the rich and middle peasantry after the war.

After the war the petty and middle bourgeoisie began to group themselves, mainly, around the great mass parties—the socialists and the Catholics (Popularists), whereas before the war these classes had followed various bourgeois parties, and only to a small extent had followed the Socialist and Republican Parties. If the Socialist Party had become a genuinely revolutionary proletarian party the petty-bourgeoisie would have been drawn after it in the struggle for power, and would have submitted to its policy. But in reality the petty-bourgeoisie and the higher strata of the agricultural proletariat of the Po valley saw in the Socialist Party only a preponderantly "political" organisation which wished—although it did not succeed, for it was impossible—to arouse the proletariat to co-operation with a democratic government, and which only prevented the proletariat from carrying on the struggle against the capitalist State.

The defeat of the proletariat in 1920 and the reaction which followed, drove the petty-bourgeoisie away from the Socialist Party. In this situation the Fascist movement took the form of an "independent" organisation of the middle classes with a radical, typically bour-



geois programme, capable of satisfying the mobilised youth and the broad masses of the middle classes by its simultaneous proclamation of a struggle both against capitalism and against the proletariat. Thus Fascism became the new political "independent" formation of the petty-bourgeoisie, which wrote on its banner the demand for seizure of power. "Power to the war-participants," "Struggle against the class struggle," "A strong government, standing above classes"—such were its slogans.

And indeed at first, during the stage of the alliance of the middle and petty-bourgeoisie, in certain areas and in certain cases, the Fascists did carry on a simultaneous struggle against capitalism and the proletariat. In 1920 Mussolini carried out the seizure of factories by workers. In 1921 the Fascists supported the movement in favour of a rise in the wages of the agricultural workers in the Ferrara area, and carried through the seizure of the land of the landowners. This took place only in the stage of the attack against socialism, when Fascism had to show that it really "stood above classes." There is no doubt whatever that in its first phase Fascism was permeated with petty-bourgeois ideology, and that many of its followers then believed in the justice of Mussolini's programme for that very reason.

However, capitalism saw direct advantage to itself here also in supporting the Fascist movement. It is true that no one could foresee what turn the whole affair would take, but Fascism was active against the proletariat, it undermined their energy and broke up their organisations, thus conducing to the process of stabilisation of capitalism. The further political development of Fascism was on a par with all the consequent phases of the difficult road of capitalistic stabilisation. Capitalism supported the movement of the "black-shirts," supplying it with arms and money and granting them impunity.

#### THE PROCESS OF STABILISATION AND THE CRISIS IN FASCISM

Having obtained power with the support of the industrial capitalists, agrarians and monarchists, at one time the Fascists thought that they had finally established a strong

government, a government capable of dominating equally capital and labour, disciplining them both. But by 1923 an internal political crisis had developed inside the Fascist ranks. Certain groups of "adherents of 1919" and republicans left Fascism (accusing Mussolini of betraying the 1919 programme), and also groups of former war participants, who had been disillusioned by the *volte face* of the new government towards capitalism.

The following were the immediate measures for achieving stabilisation :

(1) Support of the activity of the industrial machine, which had developed during the war period.

(2) Reduction of the costs of production so as not to lose (but rather to extend) the external markets.

(3) Reduction of the State budget to order.

(4) Consolidation of the internal and external debts, which reached an aggregate of about two hundred milliard liras.

It was not possible to do this without worsening the conditions of labour by political measures. If those political measures had not existed, if there had been no police and no terror, the Italian proletariat would have defended itself, it would have prevented the lowering of wages, it would have defended its class organisations. Consequently the work of destroying the class organisations was begun, being carried out not only by the efforts of private persons, but also with the aid of persecution by the State authorities. Then Fascist syndicalism developed, and together with it arose the present theory of Fascist syndicalism.

However, despite all this the Italian workers still remained outside the Fascist trade unions, and down to the end of 1925 they carried on the struggle in the name of the General Confederation of Labour. This continued until the new laws on associations and the rights of trade unions were promulgated. With the appearance of these the struggle slowed down and took on specific forms.

The Fascist policy was successful in obtaining a higher rate of profit in industry and agricultural enterprises, and in stimulating an acceleration in the process of the concentration of economy. Fascism, which had destroyed the class organisations and had



paralysed the proletariat, was successful in realising the maximum of capitalist freedom, as the result of which it became possible to lower wages and to reduce the earnings of the peasants and the small craftsmen. This policy was carried out mainly (in so far as the economic and financial spheres were concerned) by the extensive application of protective tariffs, and also, until the spring of 1925, by means of currency inflation. This had favoured the growth of production during the period of 1924-5 by eliminating the "obvious" unemployment and allowing Italian commodities to compete successfully on the foreign markets with the commodities of other countries.

But an inflation policy, especially in such an indigent country as Italy, could not be long continued without evoking an economic catastrophe, for inflation destroyed accumulation and intensified the economic and political factors making for the disintegration of the regime. This explains the new policy of deflation, which began to be carried through from the end of 1927, from the moment of the legal stabilisation of the lira. And this also explains the fresh general economic crisis.

The deflation of the lira put an end to the industrial expansion of Fascism, and faced it with the problem of conquering the sources of raw materials and markets, revealing with pronounced severity the weaknesses and the contradictions of Italian economy, in which foreign capital could effect only a partial and temporary improvement, while in its turn creating new, more profound contradictions, and intensifying the existing crisis still further.

The policy of currency stabilisation had as its consequence not only a reduction of production but also a reduction of internal consumption, as the result of the lower classes being reduced to still greater indigence, and because of the fall in the prices of agricultural produce. Thus the economic crisis of 1927, which still continues, has a twofold nature. It is an industrial crisis, and simultaneously an agricultural crisis.

As Italy is a country where the chief occupation of the population is agriculture the crisis has its reflection on all spheres of

economy, and intensifies the industrial crisis by reducing the already poor home market.

As a result we have: (a) A partial cessation of the circulation of commodities both in the foreign and home markets; (b) unemployment, in the aggregate there are about 800,000 unemployed; (c) an unprecedented fall in wages, allowing the industrialists to expropriate several milliards of liras; (d) the impoverishment and proletarianisation of an enormous number of small farmers, a speeding up of the proletarianisation of the village; (e) a reduction in credit.

The deflation of the currency also compelled the capitalists to retreat from a number of industrial positions which, owing to inflation, had been occupied by them previously to the end of 1926. This retreat naturally most injured the weakest. Fascist policy was favourable to the concentration of capital and to a great degree strengthened financial capital, which at the present time is the real governor of the country.

Is the crisis in the Italian economy to be regarded as a temporary phenomenon or as a mortal illness? An analysis of Italian economy inevitably leads us to the conclusion that the crisis of Italian capitalism cannot be regarded as a merely temporary one. The contradictions which have been evoked by Italian capitalism cannot be eliminated without a radical reconstruction of the entire system of production.

Having paralysed all its opponents, Fascism could introduce comparative freedom for the play of capitalist forces and interests. But what are the results of that policy? Ten milliard liras of new external loans, which have been added to the old consolidated war loans, a reduction in exports, an industrial and agricultural crisis with 800,000 unemployed, a reduction in savings, a serious diminution of commercial activity!

But while the Italian economic crisis is a serious one it is not catastrophic. One must not under-estimate the significance of the solidarity of foreign capital in regard to Fascist Italy. The capitalist world knows full well that an economic catastrophe in Italy would evoke a revolutionary wave throughout Europe. Hence the assistance which foreign capital provides, opening various channels at



the moment of intensification of the crisis and affording the Italian capitalists the strength to overcome their immediate difficulties. On the other hand, in conditions where agriculture predominates, the agrarian factor does, within certain limits, afford a way of alleviating the severity of an industrial crisis, for in Italy the agrarian crisis develops comparatively slowly, in consequence of the variety of its forms and because the dominance of financial capital in agriculture began comparatively recently. A third factor acting to protect Italian capitalism is the State power.

#### FASCISM'S FUSION WITH CAPITALISM AND THE SOCIAL CHANGES IN FASCISM

The Fascist regime is becoming more and more blended with the capitalist system and with the directing element of capitalism, with finance capital. The Fascist State is coming more and more under the influence of capitalist economy. This process was not begun without an internal crisis. During the events arising out of the Matteotti affair in 1924 one could still consider that the bourgeois democracy was the heir to Fascism. Inflation led to the necessity for some protection of labour, and not all capitalists had then allied themselves with Fascism. But after the economic crisis had been resolved to the detriment of the toiling classes and the petty-bourgeoisie, and capitalism had consolidated its position, the class struggle began to develop within the Fascist ranks. As a result there was a transfer of the political centre of gravity from the petty-bourgeoisie to the great bourgeoisie and the landowners.

Mussolini recently declared that in 1925 the Fascist Party was quite other from what it was in 1922-23. Of recent years there has been a noticeable organisational, or at the least a political, withdrawal of the mass of the petty-bourgeoisie, and even of certain groups of the middle town and village bourgeoisie. Of the petty and middle bourgeoisie of the 1919 and 1922 period, part have been drawn into the State apparatus, and have thus thrown in their lot with the regime. Quite a large section are members of the Fascist organisations, but play no directing or active political role in them. Another section has abandoned

Fascism, without, however, finding any definite political orientation. Part of these last have joined or have returned to the ranks of the Catholic federation. The new political crisis of the petty and middle bourgeoisie is one of the most noticeable and symptomatic phenomena of the present political situation. The petty-bourgeoisie never had an independent political organisation. It always based itself either on the bourgeoisie or on the proletariat, in dependence on the direction in which the specific interests of one or another of its sections drove it and on the specific conditions of the time. The withdrawal of the petty-bourgeoisie indicates the instability of the present situation.

It is interesting to note the position of the wide masses of the petty and middle peasantry, who in consequence of the crisis have abandoned "active" Fascism. That is a very interesting fact, and particularly interesting by the fact that it is accompanied by the social regeneration of these sections—their proletarianisation or semi-proletarianisation.

#### THE FASCISTS' ATTEMPTS TO OVERCOME THE CRISIS

Fascism is doing everything it can to overcome the economic crisis. It would be erroneous to think that Fascism holds on exclusively by means of the terror, although undoubtedly the terror is one of its principal methods of overcoming the difficulties of the situation. It enabled capitalism to tide over the most difficult periods, and made it possible for capitalism to lower the wages of the workers. But Fascism has other methods too. The Fascist State system binds a large section of officials to capitalism. Eleven thousand prefects, 5,000 trade union organisers, 10,000 militia officers, deputies, party functionaries, a new bureaucracy, a new police of various categories—such is the backbone of the regime. Control over the economic factors affords Fascism a certain freedom of action. An appeal to foreign capital may also prove to be a means of defence against the crisis.

In the sphere of international politics Italian Fascism remains an element of ferment and disturbance. The attempts to solve the crisis drive it to the aggressiveness of



despair. The necessity of procuring raw materials and markets grows more and more acute; this need cannot be satisfied without war. That is why Italian capitalism is seeking war, although at the moment it cannot afford to be the "aggressor." That also is why Italian capitalism will be interested in joining an anti-Soviet bloc for participating in a war against the U.S.S.R. and receiving compensation for this participation.

Such is the present situation of Italian capitalism. Undoubtedly during 1926-27 Italian capitalism succeeded in overcoming the severest moments of the crisis. But at the same time the elements making for the disintegration of capitalism are accumulating. Among the factors against capitalism has to be considered the circumstances that in 1927 the proletariat and the peasantry revealed signs of activity. The most important fact in the life of the Italian proletariat during 1927-28 was the opposition put up to Fascism by the Communist Party, and the latter's agitational and organisational activity among the masses. Another important factor is the mass movements which have taken place, the significance of which is all the greater since large numbers of workers participated in them. This activity of the masses why Fascism has been compelled to resort to demagogic methods to carry out its attack on labour conditions. The activity of the masses is also the explanation of the fact that Fascism has more than once postponed the execution of its anti-proletarian and anti-peasant plans.

#### THE PRESENT DISPOSITION OF POLITICAL FORCES IN ITALY

In conditions of a monopoly of Fascist legal political activity, the most convenient means of measuring the alterations taking place in the depths of the social organism are absent. The political changes which are revealed on the surface are occurring more slowly and lag behind the social changes. This is explained by the absence of active ideological and political centres for the masses. It would be a profound error to think that in such circumstances as those at present prevailing in Italy no regrouping of forces is occurring, and that the entire Italian situation is characterised by political and social

stagnation. In the first place, there is an obvious regrouping of more or less extensive social strata. In order to obtain an approximate yet scientific determination of these political regroupings we can accept four factors as indicators: (a) The social changes which are taking place in the basis of Fascism; (b) the movements of the masses; (c) the position and the internal crisis of the "parties of concentration"\* and other forms of grouping of the anti-Fascist masses; (d) the Communist Party as the centre of the organisation of the toiling masses.

We have already spoken of the changes which have taken place and are still taking place in the social basis of Fascism itself. The causes are chiefly economic, and arise out of the general economic crisis. But at the same time they are created by the Fascist policy, by the measures which Fascism applies for overcoming the crisis. Together with a certain radicalisation of the town and village petty-bourgeoisie there is activity among the workers and peasants, which manifested itself in the demonstrations which were held during the second quarter of 1927. Even a superficial consideration shows that it is more intensive in the villages than in the towns. For that matter, considering the workers' demonstrations during 1927-28, we can easily establish that the greater number of them fall to the share of that group of workers which is socially linked up with the villages. There are adequate reasons for this:

(a) The Fascist crisis has had more effect in the countryside because the villages are farther from the control of the Fascist militia, and because the Fascist militia of those areas are themselves under the influence of the economic, social and political crisis.

(b) The State coercive apparatus lies heavily on the towns to a degree which is not possible in the case of the villages.

(c) The menace of hunger hangs much more over the agricultural workers and poorer peasants.

The ferment among the masses which is taking place is a conditioning factor of the alteration in the correlations of political

\* I.e., Anti-Fascist Liberals, republicans and socialists, "concentrating" on a struggle for a return to bourgeois democracy—mostly emigrants.



forces. A fresh disposal of forces is not possible without movement. The development of the movement is a pre-condition of any alteration in existing forces.

The necessity of a political orientation and organisation is deeply felt by the masses. Capitalist society, being a product of a higher form of economic organisation of society by comparison with preceding forms, has created the need of organisation among the masses. That is why, when capitalism finds itself in a situation that it must defend its economic positions, which are destined by history to disappear by the application of pressure from the toiling masses, the masses seek the most varied ways of organising themselves—they seek legal ways, the easiest ways from the point of view of economy of effort. Consequently it is not surprising that despite the philo-Fascism of the higher church hierarchy and of certain of the priests, the Catholic union may appear to a part of the peasantry and the petty town bourgeoisie as a method of crystallising a certain kind of opposition to Fascism. The opposition groups inside the Fascist party itself are utilised still better than the Catholic organisations, especially in agricultural areas.

The political condition of the "concentration parties" reflects the regrouping of the social bases in Italy. It would be interesting to deal in somewhat more detail with the relationship between the changes taking place in the masses within Italy and the condition of the "concentration parties," which at the present are found abroad. In so far as the "concentration parties" were not created by isolated groups, in so far as they were the political expression of the interests of definite social forces, so far does there still exist an ideological correspondence between the "concentration parties" and definite masses. And in their case ideology is at present a form of organisation.

The Communist Party declared that "concentration" already exists in Italy, for its social bases exist. We can define this point of view thus: At the present time a concentrationist organisation in its most elementary form exists in Italy, inasmuch as there exists (and it does, in fact, exist) a concentrationist ideology. If we were to deny that truth we

should need to come to the conclusion that either the Italian masses are Fascist or are already won over to Communism. But either of these conclusions would be equally erroneous.

None the less, it is definitely known that the social bases of the anti-Fascist concentration are not at the present time the same that these parties based themselves on in 1924 and later. It is impossible to deny the existence of regroupings of certain elements of the worker section of the socialist parties in Italy, regroupings which have to be accepted as readjustments of the basic groups in the direction of a Communist orientation.

The favourable position in which Communists found themselves within the General Confederation of Labour after 1926 cannot be explained exclusively as a fortuitous phenomenon in the political life of the Italian proletariat, which will be eliminated as soon as the Confederation again finds itself in the position in which it was in October, 1926. Anyone who holds such an opinion is not in a position to understand the facts of Italian political life. For in reality those socialist workers who combined with the Communists on the basis of the programme of defence and the unity of the class trade union movement had abandoned the position which they had held up to October, 1926. This demonstrates that a regrouping in the direction of the Communist Party has taken place in the lower ranks of the workers. The leftward movement of the masses is depriving socialism of its worker basis. This does not mean that there no longer exist groups of workers under the influence of the socialists. We only wish to say that the social basis of the socialist parties has shifted in the other direction, that the worker element has yielded place to the town and village petty-bourgeois element. But this again does not mean that concentration can satisfy the interests of the bourgeoisie; but in conditions of a relative stagnation of the masses, the interests of definite strata of the petty bourgeoisie and peasantry are crystallised around the concentration ideology, from which they can be shaken only as the result of the propaganda of our Party and in the process of active work.

Such a regrouping of the social basis will



evoke an internal crisis in the "concentration parties," a crisis which, however, will not move with any great speed, for these parties are isolated from the Italian masses, and the masses themselves in Italy are at present relatively stagnant.

#### FASCISM AND THE STRUGGLE FOR DEMOCRACY

Fascism does not represent a progressive stage in the development of Italian capitalism. It is true that it has developed new forms of industrial and bank organisations, but these new forms serve the traditional economic policy of the Italian dominating classes, and are a means by which that policy continues to exist under the new conditions.

But Italian capitalism cannot return to government by means of the system of democratic parliamentarism. This is a fundamental conclusion for us Italian Communists. In this there is a profound distinction between ourselves and the socialists. Certain socialists and republicans set themselves the question: Was democracy ever existent in Italy? They declare that Fascism cannot be any other than the historical product of an inadequate, sickly democracy, that countries really democratic could not descend to Fascism. Such an ideological method of raising the problem of democracy and Fascism does, however, contain a grain of economic truth in so far as Italy is concerned. The democracy which existed before Fascism represented that quality of democracy which Italian capitalism could afford to concede to the masses. A weakly developed capitalism had to defend itself by means of a restricted democracy, for it could not make big concessions to the masses, it could not bribe a large section of the proletariat and base a wider democracy on that section. The inability to see the economic root of the problem of bourgeois democracy involves an inability to understand the history of Italy during the last decades. It is absolutely true that an extensive democracy never existed in Italy. But this was so because the structure of Italian economy did not permit capitalism to extend political rights and to carry through reforms without risk of being overthrown by the forces of the proletariat. That is why in Italy

stabilisation took on the form of Fascism and the characteristic features of complete reaction. Is any process taking place in Italian capitalism which would establish the prerequisites of the conquest of a new, extended democracy by the Italian masses? On the contrary, we rather have a mortal crisis of Italian capitalism. And for the Italian masses the problem of democracy can be only a problem of struggle for workers' democracy. No matter what opposition parties existed in Italy at the present time they would have to reflect the needs of the toiling masses, even if only in a restricted measure. And that would threaten to wrest out of the hands of the government the control over the sole element on which the government depends in its stabilisation policy. In other words, this means that a stable democratic regime cannot replace Fascism and that Fascism is the last phase of Italian capitalism.

#### THE PROBLEM OF THE FUTURE

After all we have said the problem arising from the present situation in Italy is no longer a problem. The struggle for the overthrow of Fascism cannot be carried on under the leadership of either the Liberal bourgeoisie or the petty-bourgeoisie, which during the Fascist experience has suffered a resounding blow, and has demonstrated that it cannot play any role or provide an independent political direction. That struggle can be directed only by the most revolutionary class—the proletariat. From the historical aspect there can be only one prospect before us: the Fascist regime can be overthrown only at the same time as Italian capitalism, as the result of a proletarian revolution. We always have struggled resolutely against the errors committed by those who believe in the indispensability of a democratic phase as an absolute condition of the further development of the revolutionary process. If the democratic phase were historically indispensable, if Italian capitalism could make concessions to the toiling classes and so had as its task the carrying through of the Liberal-bourgeois revolution to its end, we should have to assist the advance of such a phase. But the analysis we have made of the Italian situation and of Fascism tells us that if the democratic phase could be included in



the line of the revolutionary movement it would represent a cessation of that movement, for it would coincide with a transference, albeit a transient transference, of the control of political forces and of the government into the hands of capitalism, which would be equivalent to an unprecedented reaction against the revolutionary proletariat and its party.

From the strategic aspect, to stop at the overthrow of the present regime by an attack of the people directed by the revolutionary proletariat is insufficient. It presupposes the realisation of a swift regrouping. Among our prospects there is no prospect of a defeat of the Italian proletariat, but there is the possibility of a delay in the orientation of political forces towards the proletarian revolution. The situation in Italy provides us every day with a lesson of prudence and realism.

At what stage is the process of formation of a workers'-peasants' bloc at the present moment? That is the basic problem to be investigated. Have the masses of the Italian peasantry already passed under the direction of the proletariat? No. Not only is it not possible to declare that the political direction in the regrouping of the peasant masses belongs to the revolutionary proletariat, but the relative passivity of the proletariat itself shows that the latter does not yet feel itself to be a class-leader of the revolution. Such a situation is quite typical of the preliminary, backward phase of the creation of a workers' and peasants' bloc. Consequently in our work we start with the basic historical prospect, not, however, leaving the other prospects out of sight, such as the delay in the grouping of forces around the proletariat. If we denied this second prospect we should be going half-way to meet defeat. If the first prospect is realised suddenly, *i.e.*, if a revolution breaks out and the proletariat is successful in placing itself at the head of its allies at the same moment as the national revolution against Fascism occurs, it will connote that the national revolution has coincided with the proletarian revolution. In the other case (the second prospect) the national revolution will have to be transformed into the proletarian revolution in the process of struggle. Here the process of winning allies will take place

during the struggle, in which the majority of the toiling class will become convinced that the actual and final overthrow of Fascism is nothing other than the overthrow of the capitalist system.

#### THE WINNING OF ALLIES

At the base of our political activity lies the acquisition of allies. Consequently we have a double front of struggle: against Fascism and against democratic concentration. In that struggle we work with the methods of propaganda and agitation. We must win to our side all the proletariat, we must give a revolutionary political and proletarian orientation to the social strata of the peasantry which are abandoning Fascism, and wrest from "democratic concentration" the social basis on which it builds at the present time. To this end we exploit the general and partial "democratic" slogans. Why do we do this? If we were to restrict ourselves to explaining to the non-proletarian masses, and also to the most backward section of the proletariat, that the establishment of the former political forms of bourgeois democracy are impossible in the present phase of Italian capitalism, we should hardly be likely to succeed in convincing these sections of the population of the truth of this. The social-democratic parties, which in their agitation base themselves exclusively on the restoration of democracy as the condition of the successful development of the class struggle, would retain their influence among the masses, and thus the masses would prove to be bound to capitalism. Consequently we must link up the economic attacks of the masses with the struggle for partial political demands, thus aiding the masses to get into movement. But in the process of this movement the masses themselves will become convinced that the struggle for democratic aims will come into conflict with the forces of the capitalist system. They will come up against the concrete fact that the overthrow of the capitalist system and the struggle for power are identical with the struggle for democracy. We must appeal to the masses as the sole democratic party existing in Italy, for we struggle for the establishment of a workers' State in Italy, whereas the remaining opposi-



tion parties in Italy are struggling only for an outward change in the form of capitalism's dictatorship.

#### WHEN WILL FASCISM FALL?

It is impossible to give a superficial answer to such a question. We have already said that the economic crisis of Italian capitalism is a profound, but not a catastrophic one. On the other hand, the severity of the economic crisis in Italy is not the element which of itself can evoke the crash of Fascism. Those who build political prospects solely on the one element of the economic crisis do not take account of:

(a) The strength of capitalist solidarity, which links the various bourgeois States one with another, and

(b) the role of the State.

Capitalist solidarity will overcome its contradictions and the "national" conflicts in face of the danger of the proletarian revolution. Italian Fascism has already several times found assistance in its work of overcoming the severest features of the crisis from the financial solidarity of the bourgeois democratic States. And while this aid deepens the internal contradictions it at the same time serves as a means of delaying their ultimate results. The role of the State power, and particularly of the Fascist power as an instrument for the preservation of the existing economic system has in general not been adequately evaluated and precisely investigated by us Communists.

The organisation of the modern State is a most powerful weapon for the defence of capitalism. It affords the possibility, within certain limits, which shift according to the degree of perfection of the State mechanism, of extending the existence of capitalism beyond the bounds which in other circumstances would be set to it by history.

The reactionary machinery of the Fascist State, costing millions of liras annually, is as necessary to capitalism as is the army. Just as the task of the army is to provoke fresh wars for spoliation in favour of imperialism, so the apparatus of State coercion has as its aim the guaranteeing of the capitalists' profit and the rents of the landowners inside the

country. The struggle against the modern State is the most difficult struggle with which the toiling masses were ever confronted.

Needless to say, one may not think that the capitalist bloc in Italy is something monolithic and homogeneous. The existence of large petty-bourgeois strata in the basis of Fascism is one of the elements of the internal crisis within Fascism itself. Within Fascism is developing a struggle between the petty-bourgeoisie, the "apparatus" and the capitalist direction. In addition, inside the capitalist bloc a struggle is progressing between the industrial and the agrarian groups, between the banks and the agrarian circles, between the agrarians of the north and the south, and so on. The general economic crisis in Italy is provoking a more or less obvious struggle on the surface between the various capitalist groups. These internal conflicts of capitalism, which the governmental policy is striving to overcome, favouring first one then another group, will all increase as the general situation gets worse. An intensification of the internal contradictions of capitalism will provoke various splits and dissensions in the apparatus, and also in the organisation of the capitalist class. Without disintegration and without panic in the ranks of the Fascists, no directly revolutionary situation can arise. Certain fissures in the Italian capitalist bloc have already made their appearance more than once, just as there have been withdrawals of one or another group. But the correlation of forces has not changed to a sufficient extent, for the proletariat has not yet succeeded in placing itself at the head of the mass advance, it has not succeeded in driving its wedge into the cleft in the opponents' bloc. In this it has been hindered by the social-democratic policy, which strives for a peaceful settlement of the crisis.

The objective factors are in favour of the appearance of such fissures, but the existing regime will indefatigably stop them up, resorting to all resources at its disposition. The game between Fascism and the opposition has come to an end.

At what moment will the balance prove to be in favour of the opposition? The situation in Italy is such that one may look for unex-



pected manifestations of the crisis on the surface.

#### THE COMMUNIST PARTY AND ITS TASKS

To work indefatigably on the organisation of the masses connotes in our position a struggle against the disorganisation of the toiling masses which Fascism is trying to effect. The success of our work depends on how far we succeed in overcoming and defeating the efforts which the Fascists are making to effect the disintegration of the toiling classes and of the proletariat in the first instance.

At the present time there is a lack of correspondence between the influence of the Party and its organised forces, just as there is a lack of correspondence between the political strength of the Party and the political tasks with which the situation confronts the Party. The overcoming of this depends on the ability to move the masses from the position in which they are at present.

The Party and its activity has to be regarded as a positive element in the situation, but one must not under-estimate the losses

which they have suffered. Many are not aware at what enormous sacrifices we have put up our opposition to Fascism during the last seven years. We have lost a large part of our cadres, and the task of creating fresh cadres is becoming more and more difficult. At the present time our Party is weak organisationally, ideologically and politically. Our first task, the one to which we must direct all our attention, is the strengthening of the Party.

Without the Party there can be no activity. Our second conference, held some months ago, indicated to the Party the tasks of its organisational and ideological strengthening, as well as the tasks arising in the work of organisation and agitation among the masses. Undoubtedly we have won important political positions among the Italian masses, but we still suffer from our backwardness. Our main task is to place the Party in such a position that it will be able to take an active part in the event of an unexpected crisis. And this signifies laying down new lines, dictated by the needs of the proletariat, the building up and consolidation of the directing centres of the Party, and organising the influence which the Party has won by its sacrifices.

### *Advertisement Rates for*

THE COMMUNIST INTERNATIONAL

are:

*Per page £3 and pro rata;*

*per inch 4 shillings*



# The South African Question

*(Resolution of the E.C.C.I.)*

## ECONOMIC AND SOCIAL STRUGGLE

**S**OUTH AFRICA is a British Dominion of the colonial type. The development of relations of capitalist production has led to British imperialism carrying out the economic exploitation of the country with the participation of the white bourgeoisie of South Africa (British and Boer). Of course, this does not alter the general colonial character of the economy of South Africa, since British capital continues to occupy the principal economic positions in the country (banks, mining and industry), and since the South African bourgeoisie is equally interested in the merciless exploitation of the negro population.

In the recent period in South Africa we have witnessed the growth of the manufacturing iron and steel industries, the development of commercial crops (cotton, sugar, cane), and the growth of capitalist relations in agriculture, chiefly in cattle-raising. On the basis of this growth of capitalism there is a growing tendency to expropriate the land from the negroes and from a certain section of the white farming population. The South African bourgeoisie is endeavouring also by legislative means to create a cheap market of labour power and a reserve army.

The overwhelming majority of the population is made up of negroes and coloured people (about 5,500,000 negroes and coloured people and about 1,500,000 white people, according to the 1921 census). A characteristic feature of the colonial type of the country is the almost complete landlessness of the negro population: the negroes hold only one-eighth of the land, whilst seven-eighths have been expropriated by the white population. There is no negro bourgeoisie as a class, apart from individual negroes engaged in trading and a thin strata of negro intellectuals who do not play any essential role in the economic and political life of the country. The negroes constitute also the majority of the working class: among the workers employed in industry and transport,

420,000 are black and coloured people and 145,000 white; among agricultural labourers 435,000 are black and 50,000 are white. The characteristic feature of the proletarianisation of the native population is the fact that the number of black workers grows faster than the number of white workers. Another characteristic fact is the great difference in the wages and material conditions of the white and black proletariat in general. Notwithstanding a certain reduction in the living standard of the white workers which has lately taken place, the great disproportion between the wages of the white and black proletariat continues to exist as the characteristic feature of the colonial type of the country.

## THE POLITICAL SITUATION

The political situation reflects the economic structure—the semi-colonial character of the country and the profound social contradictions between the black and white population. The native population (except in the Cape province) of the country have no electoral rights, the power of the State has been monopolised by the white bourgeoisie, which has at its disposal the armed white forces. The white bourgeoisie, chiefly the Boers defeated by the arms of British imperialism at the close of the last century, had for a long time carried on a dispute with British capital. But as the process of capitalist development goes on in the country, the interests of the South African bourgeoisie are becoming more and more blended with the interests of British financial and industrial capital, and the white South African bourgeoisie is becoming more and more inclined to compromise with British imperialism, forming with the latter a united white front for the exploitation of the native population.

The Nationalist Party, which represents the interests of the big farmers and landowners, and a section of white (mainly Boer) bourgeoisie and petty-bourgeoisie, is winding up



its struggle for separation from the Empire and is surrendering before British capitalism (the formula proposed by the leader of this Party, General Herzog, and carried at the British Imperial Conference). Furthermore, this party is already coming out as the open advocate of the colonial expansion of British capital, carrying on an agitation for the extension of the territory of the Union of South Africa to the north (the annexation of Rhodesia), hoping in this manner to secure a vast fund of cheap native labour power.

Simultaneously with the importation of British capital and British goods, there are imported to South Africa the methods of corrupting the working class. The Labour Party of South Africa, representing the interests of the petty-bourgeoisie and of the skilled labour aristocracy, openly carries on an imperialist policy, demoralising the white workers by imbuing them with a white racial ideology. Nevertheless, the influence of this party is being undermined by the steady worsening of the material conditions of the mass of the white workers. At the same time the South African bourgeoisie is endeavouring to attract to its side certain elements of the non-European population, for instance, the "coloured" population, promising them electoral rights, and also the native leaders, turning them into their agents for the exploitation of the negro population. This policy of corruption has already brought about the fact that the leaders of the negro trade union organisations—the Industrial and Commercial Union—having expelled the Communists from the union, are now endeavouring to guide the negro trade union movement into the channel of reformism. The inception of negro reformism, as a result of the corruptionist policy of the white bourgeoisie, a reformism which acts in close alliance with the Amsterdam International, constitutes a characteristic fact of the present political situation.

The united front of the British and South African white bourgeoisie against the toiling negro population, backed by the white and negro reformists, creates for the Communist Party in South Africa an exceptionally complicated but favourable position of being the only political Party in the country which

unites the white and black proletariat and the landless black peasantry for the struggle against British imperialism, against the white bourgeoisie and the white and black reformist leaders.

#### THE COMMUNIST PARTY AND ITS TASKS

The Executive Committee of the Communist International recognises the successes which the Communist Party of South Africa has recently achieved. This is seen in the growth of the Communist Party, which is now predominantly native in composition. The Communist Party has a membership of about 1,750, of whom 1,600 are natives or coloured. The Communist Party also spread into the country districts of the Transvaal. The Party has waged a fight against the reactionary Native Administration Act. The E.C.C.I. also notes the growth of native trade unions under the leadership of the C.P., the successful carrying through of a number of strikes and efforts to carry through the amalgamation of the black and white unions.

The present intensified campaign of the Government against the natives offer the C.P. an immense field to develop its influence among the workers and peasants, and it is among this section of the South African population that the chief field of activity of the Communist Party must continue to lie in the near future.

(a) The first task of the Party is to reorganise itself on the shop and street nuclei basis and to put forward a programme of action as a necessary condition for the building up of a mass Communist Party in South Africa.

(b) The Party must orientate itself chiefly upon the native toiling masses while continuing to work actively among the white workers. The Party leadership must be developed in the same sense. This can only be achieved by bringing the native membership without delay into much more active leadership of the Party both locally and centrally.

(c) While developing and strengthening the fight against all the customs, laws and regulations which discriminate against the native



and coloured population in favour of the white population, the Communist Party of South Africa must combine the fight against all anti-native laws with the general political slogan in the fight against British domination, the slogan of *an independent native South African republic as a stage towards a workers' and peasants' republic, with full, equal rights for all races, black, coloured and white.*

(d) South Africa is a black country, the majority of its population is black and so is the majority of the workers and peasants. The bulk of the South African population is the black peasantry, whose land has been expropriated by the white minority. Seven-eighths of the land is owned by the whites. Hence the national question in South Africa, which is based upon the agrarian question, lies at the foundation of the revolution in South Africa. The black peasantry constitutes the basic moving force of the revolution in alliance with and under the leadership of the working class.

(e) South Africa is dominated politically by the white exploiting class. Despite the conflict of interests between the Dutch bourgeoisie and the English imperialists, the basic characteristic of the political situation in South Africa is the developing united front between the Dutch bourgeoisie and the British imperialists against the native population. No political party in South Africa with the exception of the Communist Party advocates measures that would be of real benefit to the oppressed native population, the ruling political parties never go beyond empty and meaningless Liberal phrases. The Communist Party of South Africa is the only Party of native and white workers that fights for the complete abolition of race and national exploitation, that can head the revolutionary movement of the black masses for liberation. Consequently, if the Communist Party correctly understands its political tasks it will and must become the leader of the national agrarian revolutionary movement of the native masses.

Unfortunately the Communist Party of South Africa did not give evidence of sufficient understanding of the revolutionary importance

of the mass movements of the native workers and peasants. The Communist Party of South Africa carried on a correct struggle for unity of the native and white workers in the trade union movement. But at the same time the Communist Party of South Africa found itself in stubborn opposition to the correct slogan proposed by the Comintern calling for an independent native South African republic as a stage towards a workers' and peasants' republic with full, equal rights for all races.

This opposition shows a lack of understanding of the task of our Party in South Africa relative to the revolutionary struggles of the native masses, which explains partly the still insufficient growth of the political influence of our Party upon the negro masses despite the extremely favourable conditions.

South Africa is a British dominion of a colonial type. The country was seized by violence by foreign exploiters, the land expropriated from the natives, who were met by a policy of extermination in the first stages of colonisation, and conditions of semi-slavery established for the overwhelming majority of the native masses. It is necessary to tell the native masses that in the face of the existing political and economic discrimination against the natives and ruthless oppression of them by the white oppressors, the Comintern slogan of a native republic means restitution of the land to the landless and land-poor population.

This slogan does not mean that we ignore or forget about the non-exploiting elements of the white population. On the contrary, the slogan calls for "full and equal rights for all races." The white toiling masses must realise that in South Africa they constitute national minorities, and it is their task to support and fight jointly with the native masses against the white bourgeoisie and the British imperialists. The argument against the slogan for a native republic on the ground that it does not protect the whites is objectively nothing else than a cover for the unwillingness to accept the correct principle that South Africa belongs to the native population. Under these conditions it is the task of the Communist Party to influence the embryonic and crystallising national movements among the natives in order to develop these movements into national



agrarian revolutionary movements against the white bourgeoisie and British imperialists.

The failure to fulfil this task means separation of the Communist Party of South Africa from the native population. The Communist Party cannot confine itself to the general slogan of "Let there be no whites and no blacks." The Communist Party must understand the revolutionary importance of the national and agrarian questions. Only by a correct understanding of the importance of the national question in South Africa will the Communist Party be able to combat effectively the efforts of the bourgeoisie to divide the white and black workers by playing on race chauvinism, and to transform the embryonic nationalist movement into a revolutionary struggle against the white bourgeois and foreign imperialists. In its propaganda among the native masses the Communist Party of South Africa must emphasise the class differences between the white capitalists and the white workers, the latter also being exploited by the bourgeoisie as wage slaves, although better paid as compared with the natives. The Communist Party must continue to struggle for unity between black and white workers and not confine itself merely to the advocacy of "co-operation" between the blacks and whites in general. The Communist Party must introduce a correct class content into the idea of co-operation between the blacks and whites. It must explain to the native masses that the black and white workers are not only allies, but are the leaders of the revolutionary struggle of the native masses against the white bourgeoisie and British imperialism. A correct formulation of this task and intensive propagation of the chief slogan of a native republic will result not in the alienation of the white workers from the Communist Party, not in segregation of the natives, but, on the contrary, in the building up of a solid united front of all toilers against capitalism and imperialism.

In the struggle against the domination of British imperialism in South Africa and against the white bourgeoisie under the slogans of the agrarian revolution and native republic the Communist Party of South Africa will undoubtedly meet with the most brutal

attack of the bourgeoisie and the imperialists. This can be no argument for not adopting the slogan of a native republic. On the contrary, the Party must wage a struggle for this slogan preparing by all possible means, first and foremost by mobilising the black and white workers, to meet the attacks of the ruling class.

The E.C.C.I., while fully approving the Party's agitation against the native Bills put forward by the Pact Government, considers that this agitation should be further strengthened and intensified, and should be coupled with agitation against all anti-native legislation.

The Party should pay particular attention to the embryonic national organisations among the natives, such as the African National Congress. The Party, while retaining its full independence, should participate in these organisations, should seek to broaden and extend their activity. Our aim should be to transform the African National Congress into a fighting nationalist revolutionary organisation against the white bourgeoisie and the British imperialists, based upon the trade unions, peasant organisations, etc., developing systematically the leadership of the workers and the Communist Party in this organisation. The Party should seek to weaken the influence of the native chiefs corrupted by the white bourgeoisie over the existing native tribal organisations by developing peasants' organisations and spreading among them the influence of the Communist Party. The development of a national-revolutionary movement of the toilers of South Africa against the white bourgeoisie and British imperialism, constitutes one of the major tasks of the Communist Party of South Africa.

The Party should immediately work out an agrarian programme applicable to the native agrarian situation. The E.C.C.I. considers that the Party was correct in launching at its last Congress the slogan of "Expropriate the big estates and give them to the landless whites and natives." But this can only be treated as a general slogan. It is necessary to work out concrete partial demands which indicate that the basic question in the agrarian situation in South Africa is the land hunger



of the blacks and that their interest is of prior importance in the solution of the agrarian question. Efforts should be made immediately to develop plans to organise the native peasants into peasant unions and the native agricultural workers into trade unions, while attention to the poor agrarian whites must in no way be minimised.

In the field of trade union work the Party must consider that its main task consists in the organisation of the native workers into trade unions as well as propaganda and work for the setting up of a South African trade union centre embracing black and white workers. The principle that the Party's main orientation must be on the native population applies equally to the sphere of trade union work. The Party should energetically combat the splitting policy of the Industrial and Commercial Union leaders under the slogan of unity of the whole trade union movement of South Africa. Further, the Party should work out a detailed programme of immediate demands for the native workers. The Communists must participate actively in the trade union organisations of the native workers, pursuing the policy of building up a strong left-wing within these organisations under Communist leadership.

The Party should continue its exposure of the South African Labour Party as primarily an agent of imperialism in the Labour movement.

While concentrating its chief attention on organising the native workers in the trade unions the Communist Party should not neglect the work in the white trade unions. Its tasks are the organisation of the unorganised, work in the existing trade unions, to intensify the propaganda for reorganisation of the trade union movement on an industrial basis, increased agitation for affiliation of all trade unions to the Trade Union Congress. In all trade union organisations the Party must strive to build up a strong left-wing under Communist leadership.

The Party must energetically combat the influence of the Amsterdam International in the black and white trade union movement, intensifying the propaganda for world trade union unity along the lines of the Profintern (R.I.L.U.) policy.

In connection with the danger of world war, the present imperialist intervention in China and the threatening war against the U.S.S.R., the Party must fight by all means against the help given to the military policy of Great Britain which found its expression in the tacit support of the break of the British imperialists with the U.S.S.R. The Party should not neglect anti-militarist work.

The E.C.C.I. repeats its previous proposal to launch a special paper in the chief native languages as soon as technical difficulties have been overcome. Such a step is of great political importance.